GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

STARRED QUESTION NO:575
ANSWERED ON:05.05.2005
PERMISSION TO FOREIGN AIRLINES FOR INVESTMENT IN INDIAN CARRIERS
Sen Smt. Minati;Suman Shri Ramji Lal

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Planning Commission has recommended to allow foreign Airlines to invest in the Indian Carriers;

(b) if so, the details and facts thereof; and

(c) the decision of the Government thereon?

Answer

- MINISTER OF STATE(INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION(SHRI PRAFUL PATEL)

(a),(b) and (c):- A Statement is laid on the Table of the House.

STATEMENT IN REPLY TO PARTS (A),(B) AND (C) OF THE LOK SABHA STARRED QUESTION NO. 575 DATED 5.5.2005 REGARDING PERMISSION TO FOREIGN AIRLINES FOR INVESTMENT IN INDIAN CARRIERS.

(a),(b) and (c):- As per the existing policy for Foreign Direct Investment (FDI), no direct or indirect equity participation by foreign airlines in domestic airlines is allowed. Tenth Five Year Plan recommended a review of this policy and opening up of the domestic airlines industry to foreign carriers, with a view to attracting new technology and management expertise. Government has not apporoved this recomendation.